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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Budget for the United Nations Logistics Base for the period from 1 July 2006 to 30 June 2007

Report of the Secretary-General

Contents

		Page
I.	Objective and planned results	3
II.	Resource requirements	14
III.	Analysis of variances	16
IV.	Actions to be taken by the General Assembly	19
V.	Summary of follow-up action taken to implement requests and recommendations of the General Assembly, the Advisory Committee on Administrative and Budgetary Questions endorsed by the General Assembly, the Board of Auditors and the Office of Internal Oversight Services	20
Annex		
	Organizational chart	26

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Summary

The present report contains the budget for the United Nations Logistics Base at Brindisi, Italy for the period from 1 July 2006 to 30 June 2007, which amounts to $35,621,200. The budget provides for the deployment of 47 international staff and 169 national staff.

The total resource requirements for the Logistics Base for the financial period from 1 July 2006 to 30 June 2007 have been linked to the objective of the Base through a results-based framework under the support component.

The explanations of variances in resource levels, both human resources and financial resources, have, where applicable, been linked to specific outputs planned by the Logistics Base.

Financial resources

(Thousands of United States dollars. Budget year is from 1 July to 30 June.)

Category	Expenditures (2004/05)	Apportionment (2005/06)	Cost estimates (2006/07)	Variance	
				Amount	Percentage
Civilian personnel	10 119.7	14 697.4	17 527.7	2 825.3	19.2
Operational costs	18 065.0	16 815.7	18 098.5	1 282.8	7.6
Gross requirements	**28 184.7**	**31 513.1**	**35 621.2**	**4 108.1**	**13.0**
Staff assessment income	1 604.7	2 233.1	2 535.2	302.1	13.5
Net requirements	**26 580.0**	**29 280.0**	**33 086.0**	**3 806.0**	**13.0**
Voluntary contributions in kind (budgeted)	—	—	—	—	
Total requirements	**28 184.7**	**31 513.1**	**35 621.2**	**4 108.1**	**13.0**

Human resources

	International staff	National staff[a]	Total
Support			
Approved 2005/06	47	165	212
Proposed 2006/07	47	169	216
Net change	0	4	14

[a] Includes national officers and national General Service staff.

The actions to be taken by the General Assembly are set out in section IV of the present report.

I. Objective and planned results

1. The original storage facility for the Department of Peacekeeping Operations was the United Nations Supply Depot first located in Naples and later moved to Pisa, Italy. The supply depot was first established to receive assets available upon the closure of the United nations Emergency Force (UNEF I) in 1956. The United Nations Logistics Base has been in operation since late 1994.

2. The Logistics Base is located at Brindisi, Italy. The memorandum of understanding regarding the use of the facilities at Brindisi by the United Nations was signed by the Secretary-General and the Republic of Italy on 23 November 1994 and amended on 7 December 2001. The Logistics Base contains 22 warehouses, the San Pancrazio depot, 12 workshops and technical buildings, 15 office buildings and a training centre.

3. The objective of the Logistics Base is, as it is for the support account, to ensure efficient and effective peacekeeping operations.

4. Within this overall objective, the Logistics Base will, during the budget period, contribute to one expected accomplishment by delivering related key outputs, shown in the framework below. The outputs are grouped under the following core support functions: strategic deployment stocks and United Nations reserve stocks management, communications hub and information technology network operations, training, regional aviation safety, as well as management and administration of the Logistics Base.

5. The expected accomplishment would lead to the fulfilment of the objective of the Logistics Base and the indicators of achievement show a measurement of progress towards the accomplishment during the budget period. The human resources in terms of the number of personnel have been attributed to the Logistics Base as a whole, under the support component. Variances in the number of personnel, compared with the 2005/06 budget, have been explained under the support component.

6. The proposed budget for the Logistics Base includes two major new initiatives. First, based on the proposed training strategy of the Department of Peacekeeping Operations and its reform vision 2010, a part of the Integrated Training Service, namely its Training Delivery Cell, is proposed to be relocated from United Nations Headquarters to the Logistics Base. The main determining factors for the relocation are the foreseen cost savings and enhanced delivery of peacekeeping training, as explained in paragraph 10 below. It is anticipated that the Logistics Base would, in the future, also host the Mission Support and Client Services of the Integrated Training Services. These services will be included in later budget submissions, as appropriate.

7. Secondly, it is proposed to establish a regional aviation safety office at the Logistics Base, which would also service, in addition to the Logistics Base itself, the United Nations Interim Administration Mission in Kosovo (UNMIK) and the United Nations Observer Mission in Georgia (UNOMIG), instead of deploying aviation safety officers to each mission and the Logistics Base. This pilot project is to test the concept of a regional aviation safety office, proposed by the Office of Internal Oversight Services in its audit on safeguarding air safety standards while procuring air services for the United Nations peacekeeping missions (A/59/347). In

addition to testing the concept, the reorganization is also expected to yield cost savings, as explained in paragraph 10 of the present report. Moreover, the Aviation Safety Office is expected to improve consistency in the application of the air operations accident prevention programme of the Department of Peacekeeping Operations in UNMIK, UNOMIG and the Logistics Base. If the concept proves to be applicable, it is foreseen that regional aviation safety offices will also be established in additional locations for other peacekeeping missions in subsequent financial periods.

8. In the budget period, efficiencies in the management and administration of the Logistics Base are sought from increased in-Base training of Logistics Base personnel, as explained in indicator 1.1.5 of the results-based framework in this section and paragraph 18 below.

9. The Logistics Base budget proposal for 2005/06 (see A/59/691, para. 6) included a proposal to expand the Logistics Base by creating an alternate site at San Vito for the disaster recovery and business continuity operations of the Department of Peacekeeping Operations and a storage site for strategic deployment stocks vehicles. The approved 2005/06 budget did not include provisions for the expansion, and neither does the proposed 2006/07 budget. In terms of the site for the Department's disaster recovery and business continuity, the Secretariat has invited hosting proposals from those Member States that fulfil generic requirements, including requirements for satellite coverage as well as commercial power supply and communications infrastructure. The Secretariat is also exploring options for a storage site for strategic deployment stocks vehicles.

Component: Support

Expected accomplishments	*Indicators of achievement*
1.1 Increased efficiency and effectiveness of peacekeeping operations	1.1.1 Reduction in receipt and inspection time for strategic deployment stocks related items, from an average of 34 days in 2004/05 and 26 days in 2005/06 to an average of 25 days in 2006/07, with a target of 22 days in 2007/08
	1.1.2 Reduction in shipment processing time for strategic deployment stocks related items from the receipt of material release order to dispatch, from an average of 20 days in 2005/06 to an average of 17 days in 2006/07, with a target of 15 days in 2007/08
	1.1.3 Full compliance of the communications hub and information technology network operations with the International Organization for Standardization (ISO) code of practice for information security management
	1.1.4 Zero aviation safety accidents in the Logistics Base, UNMIK and UNOMIG, maintaining the 2004/05 and 2005/06 levels
	1.1.5 Increase in the percentage of in-Base training compared with out-of-Base training of Logistics Base personnel, from 28 per cent of all trained staff being trained in-Base

	in 2004/05, to 35 per cent in 2005/06 to 41 per cent in 2006/07
1.1.6	80 per cent of all participants in training courses conducted by the Training Delivery Cell rate the courses good with a target of 85 per cent in 2007/08; survey to be conducted one month after completion of the course

Outputs

Strategic deployment stocks and United Nations reserve stocks management

- Development of strategic deployment stocks kits (e.g., communications, tools and stationary) in order to expedite strategic deployment stocks dispatch to missions and reduce the number of strategic deployment stocks line items, in particular, consumables, in inventory
- Receipt and inspection of strategic deployment stocks items (including vehicles, generators, prefabricated buildings and associated equipment, communications and information technology equipment, spare parts and expendables), at approximately $141.5 million, i.e., equivalent to the deployment of 1 complex mission requirement
- Issuance to missions, including rotation, of 100 per cent fully checked and available strategic deployment stocks items valued at approximately $141.5 million, i.e., equivalent to the deployment of 1 complex mission requirement
- Storage and maintenance (to warranty standards) of strategic deployment stocks items, including on average 673 vehicles, 36 trailers and 76 vehicle flat racks, 288 generators, 871 prefabricated hard wall buildings, 755 soft wall structures and associated equipment, spare parts and expendable stores (based on an average of 70 per cent of stocks being at the Logistics Base)
- Refurbishment of 40 vehicles, 10 generators and other miscellaneous equipment from liquidating/downsizing missions for inclusion in the United Nations reserve stocks
- Management of air cargo/shipments to and from peacekeeping missions, including trans-shipments
- Conduct 1 disposal sale of United Nations reserve stocks, at a total value of at least $5.0 million

Communications hub and information technology network operations

- Service improvements:
    - Implementation of an information security management system, including implementation of information security standards and configuration management system, to protect information assets
- 24 hour operation of the communication and information technology hub of the Department of Peacekeeping Operations for all peacekeeping missions and Headquarters
- Provision of 30 E1 inter-mission voice lines, 30 commercial integrated services digital network (ISDN) E1 voice lines, 113 satellite inter-mission links, 10 leased lines, 2 E3 Internet data links and 17 videoconferencing links
- Maintenance and operation of communications equipment consisting of 4 satellite earth stations, 18 private telephone exchanges and 19 high-end routers
- Maintenance and operation of information technology equipment consisting of 223 servers, 4 blade server cabinets, 186 Cisco network devices, 8 Stonesoft firewalls, 19 EMC high-end data storage systems and 7 EMC data storage network devices

- Hosting, maintenance and help desk support for all peacekeeping missions, covering 5 centrally hosted applications (asset management, procurement system, 35,000 web mail boxes, 19 websites, and 336 Lotus Notes replications)

- Storage of production data and mail database for disaster recovery and business continuity purposes (75 terabyte data storage capacity)

Training

- Service improvement:

    - Development of customer surveys for participants of training courses to collect lessons learned and improve delivery of training

- Advice to new and emerging troop and police-contributing countries on scope and availability of peacekeeping training

- Consultations on peacekeeping training with Member States and regional organizations[1]

- Support peacekeeping exercises/seminars organized by Member States and regional organizations, including through the provision of trainers, training material and presentations

- 20 training recognition visits to national and regional peacekeeping training centres

- Organization of 3 mission senior leadership training programmes/courses, including in host Member States, for 64 prospective and selected mission senior leaders

- 6 specialist standard training module train the trainer courses for 180 military and police peacekeeping trainers from African and emerging countries at the Logistics Base or in a host Member State

- 8 core-skills induction courses at the Logistics Base for 240 newly employed civilian international staff before their deployment to missions

- Organization of 8 seminars for 160 staff of regional organizations headquarters and the African Stand-by Force (ASF) staff on sexual exploitation and abuse, human rights, disarmament, demobilization and reintegration, crisis management planning and rule of law, to be held at regional organization headquarters

- 2 specialist seminars for new military and police advisers, and 2 for mission chief military personnel officers at the Logistics Base

- Organization of 2 United Nations police officers training courses in peacekeeping missions to train mission police to evaluate prospective national police for employment in national police forces

- Conduct of 1 pilot crisis management exercise in a selected mission to support the mission senior management team to develop mission crisis management capacity and management skills

- Organization, at the Logistics Base, of 2 integrated mission training centre workshops for existing centre staff (60 staff) and one integrated mission training centre course for 25 new centre staff from peacekeeping missions

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[1] Including African Union, Union of the Arab Maghreb, European Union, North Atlantic Treaty Organization, Economic Community of West African States, Southern Africa Development Community, Common Market for Eastern and Southern Africa and Intergovernmental Authority on Development.

- Evaluation visits to 18 peacekeeping missions' integrated mission training centres to review level and standards of training delivered

Aviation safety

- Service improvement
    - Dissemination of aviation safety reference material and advice to the Logistics Base, UNMIK and UNOMIG on implementation of aviation safety policies, procedures and guidelines provided by United Nations Headquarters
- 8 aviation safety assistance visits to UNMIK and UNOMIG
- 4 carrier assessment visits to UNMIK during troop rotations of formed police units
- Air safety incident investigations and investigation of accidents occurred with aircraft assigned to UNMIK and UNOMIG, including update of the occurrence reporting system and aviation safety incident reports to the Aviation Safety Office/Logistics Support Division
- Air safety incident investigations and investigation of accidents occurred at the Logistics Base
- 4 carrier survey visits, in cooperation with the Aviation Safety Office/Logistics Support Division, to air operators based in the region
- Organization of monthly/bimonthly Aviation Safety Council meetings in UNOMIG and UNMIK

Management and administration of the United Nations Logistics Base

Service improvement:

- Revision of the Logistics Base staff training arrangements to increase in-Base training, instead of training in other locations, to enable wider participation of staff and to yield cost savings

Civilian personnel:

- Administration of an average number of 47 international and 169 national staff
- Administration of temporary support services contract for an average of 56 persons
- Administration of 80 software development contractors and 5 staff from peacekeeping missions communications/information technology assigned to the Logistics Base

Facilities and infrastructure:

- Maintenance of 49 buildings (22 warehouses, 15 office and 12 workshops and technical buildings) and 25 soft-walled shelters
- Maintenance and repair of a 237,280 square metre open area including 86,280 square metre storage areas and 91,100 square metres of roads and parking areas

Ground transportation:

- Operation and maintenance of 136 Logistics Base vehicles, including light, medium and heavy forklifts, trucks, trailers, buses, sedans and delivery vans

Communications and information technology:

- Operation and maintenance of a Logistics Base information technology network consisting of 469 desktop computers, 81 laptop computers, 130 printers, 24 servers, 29 digital senders, 41 switches, 2 routers and 2 firewalls
- Support and maintenance of Logistics Base communications: 4 PABX, 720 telephone extensions, 3 base stations radios, 2 repeaters, 10 mobile radios, 95 handheld radios, 4 digital microwave devices

Medical:

- Operation and maintenance of the medical clinic for Logistics Base personnel

Security:

- Provision of security for the Logistics Base facilities, Logistics Base personnel and visitors
- Conduct of security briefings to Logistics Base personnel and visitors, and occupational safety training for Logistics Base personnel
- Development and implementation of Logistics Base safety plan in accordance with minimum operating security standards
- Investigation of security incidents
- Operation and maintenance of the Logistics Base fire-fighting capacity

External factors

Suppliers will provide goods and services, as contracted

Human resources

	International staff										
	USG-ASG	*D-2-D-1*	*P-5-P-4*	*P-3-P-1*	*Field Service*	*General Service*	*Security Service*	*Subtotal*	*National staff*	*United Nations Volunteers*	*Total*
Office of Chief Administrative Officer											
Approved 2005/06	—	1	1	1	—	—	—	—	3	—	**6**
Proposed 2006/07	—	1	1	1	—	—	—	—	3	—	**6**
Net change	—	—	—	—	—	—	—	—	—	—	—
Administrative Support Services[a]											
Approved 2005/06	—	—	3	—	4	—	—	—	30	—	**37**
Proposed 2006/07	—	—	7	4	4	—	—	—	34	—	**49**
Net change	—	—	**4**	**4**	—	—	—	—	**4**	—	**12**
Technical Support Services[b]											
Approved 2005/06	—	—	5	5	17	—	—	—	132	—	**159**
Proposed 2006/07	—	—	5	8	16	—	—	—	132	—	**161**
Net change	—	—	—	**3**	**(1)**	—	—	—	—	—	**2**
Total											
Approved 2005/06	—	1	9	6	21	—	—	—	165	—	**202**
Proposed 2006/07	—	1	13	13	20	—	—	—	169	—	**216**
Net change	—	—	**4**	**7**	**(1)**	—	—	—	**4**	—	**14**

[a] Includes the Finance, Personnel, Procurement and General Services and Security Offices, the Medical Clinic and the Training Delivery Cell (see annex).

[b] Includes the Office of the Chief Logistics Officer and the Engineering, Supply and Warehousing, Transport, Communications and Information Technology and Air Operations Offices, as well as the Regional Aviation Safety Office (see annex).

[c] Includes national General Service staff.

10. The justifications for changes in the staffing of the Logistics Base are as follows:

Administrative Support Services — Training Delivery Cell

(a) **Training Delivery Cell**

- **International Staff: establishment of eight Professional Staff (1 P-5, 3 P-4, 4 P-3) posts**
- **National staff: establishment of two national General Service staff posts**

Based on the proposed training strategy and reform of the Department of Peacekeeping Operations, a part of the newly established (November 2005) Integrated Training Service, namely its Training Delivery Cell, is proposed to be

relocated from United Nations Headquarters to the Logistics Base. An integrated team of trainers is proposed to be established at the Logistics Base to provide peacekeeping training delivery capacity at the Logistics Base, to support training conveyed by the United Nations training assistance teams in Member States, to support delivery of training organized in national and regional peacekeeping training centres, as well as in integrated mission training centres. Thus, the Training Delivery Cell would (a) coordinate all aspects of delivery of peacekeeping training, (b) deliver training at the Logistics Base, in national and regional peacekeeping training centres and in integrated mission training centres, and (c) support delivery of training by other entities as requested, including by providing training material. Development of the training material, including standard training modules, would, however, remain the responsibility of the Integrated Training Service at Headquarters.

The main factors determining the proposed relocation of the Training Delivery Cell, in addition to enhanced delivery of peacekeeping training, is the foreseen cost savings. The savings are attributable to travel costs and salaries. Comparing a Training Delivery Cell located in Headquarters, and assuming the current staffing of five Professional staff posts, with a similar one relocated to the Logistics Base, the savings in travel costs are estimated at $420,000 in total. These savings would derive from the trainers being located at the Logistics Base training venue, rather than flying from Headquarters to the Logistics Base to conduct training. In addition, savings could be derived from shorter travel from the Logistics Base to many national and regional training centres and peacekeeping missions. The savings in the salaries result from a lower post adjustment allowance applied in the Logistics Base compared with that of Headquarters, estimated at $100,000 in total.

The proposed Training Delivery Cell would be managed by a Head of Training Delivery Cell (P-5) who would manage the Cell, oversee the delivery of the training programmes, advise the Chief of Integrated Training Service at Headquarters on all aspects of United Nations peacekeeping training, prepare reports on delivered training, including lessons learned, and would also liaise with Member States, regional organizations and peacekeeping missions regarding peacekeeping training.

The Head of Training Delivery Cell (P-5) would be supported by three Training Officers (P-4), one with a specialization on military, one with United Nations police, and one with civilian components of peacekeeping. These three (P-4) Training Officers would act as course directors in their areas of specialization, coordinate training activities to support current and emerging troop-contributing countries capacity for peacekeeping, deliver standard training modules, review effectiveness of training (International Organization for Standardization (ISO) 10015 standards) and would also disseminate lessons learned and best practices in training to the United Nations training assistance teams, national and regional training centres and the integrated mission training centres.

Four Training Officers (P-3), one with a specialization in military, one in United Nations police and two in civilian aspects of peacekeeping, would coordinate and conduct generic and mission-specific pre-deployment peacekeeping training for formed police units, United Nations military observers, staff officers and contingents in their area of specialization, conduct train-the-trainer courses, as well as support peacekeeping courses and training exercises organized in national or regional training centres.

The administrative assistance of the Training Delivery Cell would be carried out by two national General Service staff (Administrative Assistants) who would, in addition to secretarial, administrative and logistics support, assist in preparation of course material and administering of participants to training courses.

It should be noted that corresponding to the proposed eight Professional posts and two General Service posts proposed to be established at the Logistics Base, the Department of Peacekeeping Operations would abolish five Professional posts, budgeted in 2005/06 under the support account, in the Integrated Training Service: one Training Officer (P-5) post, two Training Officer (P-4) and two Training Officer (P-3) posts. The increase of three Professional posts — proposed eight Professional posts in the Training Delivery Cell, compared with the five abolished Professional posts — is attributable to the need for the training personnel to fully cover all — military, police and civilian — components of peacekeeping.

Administrative Support Services — Finance Office

(b) **Finance and budget assistants**

- **National staff: establishment of two national General Service staff posts in the Finance Office**
- **National staff: abolishment of two national General Service staff posts, one post in Procurement Office and one in Personnel Office**

At the Logistics Base invoices have been processed not only by the Finance Office, but also by other substantive offices, including the Procurement and Personnel Offices. In line with the revised procedures of the Department of Peacekeeping Operations, of October 2005, for invoice processing in peacekeeping missions, it is proposed that the Logistics Base invoice processing (receipt and payment of invoices) be transferred to the Finance Office. It is proposed that two national General Service staff posts be established in the Finance Office. Correspondingly, it is proposed that one national General Service staff post be abolished in the Procurement Office and one in the Personnel Section.

Administrative Support Services — Security Office

(c) **Occupational Safety and Security Assistant**

- **National Staff: establishment of one National General Service staff post**

The General Services and Security Office of the Logistics Base is responsible for all aspects of protection of United Nations personnel and property at the Logistics Base in accordance with United Nations security management policy and the minimum operating security standards. The staffing of the Security Office has remained at the same level, one National General Service staff post, since inception of the Logistics Base, notwithstanding increases in the staffing level, expansion in the operations and number of premises the Logistics Base occupies.

It is proposed to expand the staffing of the General Services and Security Office by one national General Service staff post (Occupational Safety and Security Assistant) who would be responsible for occupational safety and security of the personnel of the Logistics Base. Most importantly, the Assistant would conduct

occupation safety training to all Logistics Base personnel (including fire prevention and first aid), as well as monitor and ensure environmental safety at the workplace.

Administrative Support Services — Nurses Office

(d) **Nurse, Medical Clinic**

- **National staff: establishment of one national General Service staff post**

The Logistics Base Medical Clinic was opened in June 2005, first to operate on a part-time basis to assess the demand for its services. The Clinic operates two hours a day, five days a week and it serves all Logistics Base personnel, their dependants, as well as training course participants (an average 120 visits per month, up to 6 visits per day). The Clinic is currently staffed by one locally contracted part-time physician and one medical assistant, both on service contracts, who are responsible for provision of medical care and advice, and of referral to specialists.

The capacity of the Medical Clinic is proposed to be expanded by one full-time Nurse, national General Service staff post, who would be proficient in both English and Italian, and responsible, in addition to client visits, for the preparedness of staff travelling to missions or reassignments, including administration of appropriate vaccines, provision of health education and addressing occupational health issues, as well as coordination with the Headquarters Medical Services and local counterparts in case of medical emergencies. The Nurse would also establish appropriate administrative procedures for the Clinic, including inventory of medical equipment and supplies, that are not in place in the current operation of the Clinic by the contracted personnel.

Office of Technical Support Services — Regional Aviation Safety Office

(e) **Regional Aviation Safety Office**

- **International staff: establishment of two Professional Staff posts (P-3)**

The Office of Internal Oversight Services' audit on safeguarding air safety standards while procuring air services for the United Nations peacekeeping missions recommended that instead of employing aviation safety officers in individual missions, regional air safety offices should be established in strategic locations worldwide (A/59/347).

In order to assess applicability of such a regional concept in peacekeeping, it is proposed that a regional aviation safety office be established at the Logistics Base, which would service, in addition to the Logistics Base itself, the United Nations Mission in Kosovo (UNMIK) and the United Nations Mission in Georgia (UNOMIG). The relatively low level of air operations and number of aircraft both in UNMIK and UNOMIG are seen to facilitate the initial testing of the concept. In addition to serving as a pilot project, the Regional Aviation Safety Office would ensure objective and in-depth air safety oversight and audit, hazards identification and risk analysis, definition of dangerous trends and need for corrective actions independently from day-to-day air operations.

The Regional Aviation Safety Office would be managed by two Aviation Safety Officers (P-3) who would conduct safety audits of air carriers, investigations of accidents and incidents as well as follow-up on the compliance with the aviation

standards of the Department of Peacekeeping Operations. The Regional Aviation Safety Office would work independently of day-to-day air operations, i.e., the Air Operations Office at the Logistics Base, as well as day-to-day air operations in UNMIK and UNOMIG to ensure objective assessment. Instead, the Regional Aviation Safety Office would report on all operational and technical matters directly to the Aviation Safety Unit at Headquarters.

It should be noted that, correspondingly, in the UNOMIG Aviation Safety Office it is proposed to abolished one post of Aviation Safety Officer (P-3) and keep one Field Service post unencumbered. In UNMIK it is proposed to abolish two Aviation Safety Office's Field Service posts. The cost savings resulting from this, compared with the establishment of the Regional Aviation Safety Office with two P-3 international staff posts, are estimated at $200,000, taking into account the requirements for travel for the Regional Aviation Safety Office.

Technical Support Services — Communications and Information Technology Office

(f) **Information Systems Officer**

- **International staff: establishment of one Professional Staff post (P-3) and abolition of one Field Service post**

The Communications and Information Technology Service of the Department of Peacekeeping Operations is currently completing the first phase of the Department's disaster recovery and business continuity management plan, which includes the establishment of in-theatre on-site redundant data centres in peacekeeping missions and out-of-theatre data centres that are close to mission areas, as well as one at the Logistics Base.

As a result, it is proposed to expand the staffing of the Communications/ Information Technology Office of the Logistics Base by one Information Systems Officer (P-3). The Information Systems Officer would be responsible for managing the data storage planning, as well as for provisioning and allocation of disaster recovery storage systems at the Logistics Base.

In addition, a change is foreseen in the management of the Network Control Centre and wide area network engineering at the Logistics Base. Based on a needs assessment, the installation, maintenance and troubleshooting of the wide area network and the Logistics Base local area network, installation and maintenance of selected application and mail servers, and troubleshooting to peacekeeping missions would be outsourced. Hence, it is proposed that one Field Service post, Information Technology Coordinator, would be abolished.

II. Resource requirements

A. Overall

(Thousands of United States dollars. Budget year is 1 July to 30 June.)

Category	Expenditures (2004/05)	Apportionment (2005/06)	Cost estimates (2006/07)	Variance	
	(1)	(2)	(3)	Amount (3)-(2)	Percentage (4)=(3)÷(2)
Military and police personnel					
Military observers	—	—	—	—	—
Military contingents	—	—	—	—	—
Civilian police	—	—	—	—	—
Formed police units	—	—	—	—	—
Subtotal	—	—	—	—	—
Civilian personnel					
International staff[a]	4 552.7	4 705.0	6 745.4	2 040.4	43.4
National staff[b]	5 567.0	9 992.4	10 777.3	784.9	7.9
United Nations Volunteers	—	—	—	—	—
Subtotal	**10 119.7**	**14 697.4**	**17 522.7**	**2 825.3**	**19.2**
Operational costs					
General temporary assistance	58.9	—	97.5	97.5	—
Government-provided personnel	—	—	—	—	—
Civilian electoral observers	—	—	—	—	—
Consultants	201.7	286.0	420.0	134.0	46.9
Official travel	299.6	220.0	197.0	(23.0)	(10.5)
Facilities and infrastructure	6 215.0	4 736.5	4 870.3	133.8	2.8
Ground transportation	1 797.1	1 482.1	719.4	(762.7)	(51.5)
Air transportation	—	—	—	—	—
Naval transportation	—	—	—	—	—
Communications	4 314.0	4 410.2	4 243.8	(166.3)	(3.8)
Information technology	3 844.0	3 856.7	4 006.9	150.2	3.9
Medical	182.2	280.0	445.0	165.0	58.9
Special equipment	—	—	—	—	—
Other supplies, services and equipment	1 152.5	1 544.2	3 098.6	1 554.4	100.7
Quick-impact projects	—	—	—	—	—
Subtotal	**18 065.0**	**16 815.7**	**18 098.5**	**1 282.8**	**7.6**
Gross requirements	**28 184.7**	**31 513.1**	**35 621.2**	**4 108.1**	**13.0**
Staff assessment income	1 604.7	2 233.1	2 535.2	302.1	13.5
Net requirements	**26 580.0**	**29 280.0**	**33 086.0**	**3 806.0**	**13.0**
Voluntary contributions in kind (budgeted)	—	—	—	—	—
Total requirements	**28 184.7**	**31 513.1**	**35 621.2**	**4 108.1**	**13.0**

[a] Cost estimates for 2006/07 are inclusive of a 5 per cent vacancy rate compared to a 12 per cent vacancy rate applied in 2005/06.
[b] Cost estimates for 2006/07 are inclusive of a 2 per cent vacancy rate compared to a 2 per cent vacancy rate applied in 2005/06.

B. Non-budgeted contributions

11. The estimated value of non-budgeted contributions for the period from 1 July 2006 to 30 June 2007 is as follows:

(Thousands of United States dollars)

Category	*Estimated value*
Voluntary contributions in kind (non-budgeted)[a]	2 070.7
Total	**2 070.7**

[a] Inclusive of office buildings as well as workshop and warehouse structures provided by the Government of Italy.

C. Training

12. The estimated requirements for training for the period from 1 July 2006 to 30 June 2007 is as follows:

(Thousands of United States dollars)

Category	*Estimated amount*
Consultants	
Training consultants	255.6
Official travel	
Official travel, training	34.8
Other supplies, services and equipment	
Training fees, supplies and services	39.2
Total	**329.6**

13. The training of the Logistics Base personnel is focused on technical training specific to the tasks of the Logistics Base, in particular in the field of stocks management, communications hub and information technology network operations, training, aviation safety, as well as the management and administration of the Logistics Base. The training is increasingly organized in-Base: the percentage of in-Base training of Logistics Base staff of all training is expected to reach 41 per cent in 2006/07. The resulting cost savings are specified in paragraph 18 below.

III. Analysis of variances[2]

Reference

The present section describes the single largest contributing factor of each resource variance according to specific standard options encompassed in the four standard categories listed below:

Mandate: variances caused by changes in the scale or scope of the mandate, or changes in the expected accomplishments as driven by the mandate;

External: variances caused by parties or situations external to the United Nations;

Cost parameters: variances caused by United Nations regulations, rules and policies;

Management: variances caused by management actions to achieve planned results more effectively (e.g., by reprioritizing or adding certain outputs) or efficiently (e.g., by taking measures to reduce personnel or operational inputs while maintaining the same level of outputs) and/or from performance-related issues (e.g., by having underestimated the costs or quantities of inputs required to produce a certain level of outputs, or by delayed recruitment).

International staff	*Variance*	
	$2 040.4	43%

- **Management: additional inputs and outputs**

14. The increased requirements are due mainly to the proposed relocation of Training Delivery Cell of the Integrated Training Services from Headquarters to the Logistics Base, the proposed establishment of a regional Air Safety Office, and the establishment of one Information Systems Officer post in the Communications and Information Technology Office. The provisions reflect a vacancy rate of 5 per cent, compared with 12 per cent applied in 2005/06.

National staff	*Variance*	
	$784.9	7.9%

- **Management: additional inputs and outputs**

15. The increased requirements are due mainly to the proposed relocation of the Training Delivery Section from Headquarters to the Logistics Base, the proposed establishment of an Occupational Safety and Security Assistant post and increasing

[2] Resource variance amounts are expressed in thousands of United States dollars.

capacity of the Medical Clinic by a full-time nurse. The provisions reflect a vacancy rate of 2 per cent, which was also applied in 2005/06.

	Variance	
General temporary assistance	$97.5	—

- **Management: same outputs**

16. The increased requirements are due to the fact that the approved 2005/06 budget inadvertently did not include any provisions for general temporary assistance to cover sick and maternity leaves.

	Variance	
Consultants	$134.0	46.9%

- **Management: additional inputs and outputs**

17. The increased requirements are due mainly to the planned progressive use of training consultants to train the Logistics Base personnel increasingly in-Base.

	Variance	
Official travel	($23.0)	(10.5%)

- **Management: reduced inputs and outputs**

18. The reduced requirements are due mainly to the higher percentage of Logistics Base staff being trained in-Base, hence reducing the need for training travel. The overall reduced requirements in staff training — including increased use of training consultants, reduced requirements for official travel related to training and reduced requirements for training fees, supplies and services — is $20.7 million, compared with 2005/06. It should be noted furthermore that in 2006/07 these reduced requirements are to provide for the training of 216 staff, while the 2005/06 provision was made for the training needs of 202 approved personnel.

	Variance	
Facilities and infrastructure	$133.8	2.8%

- **Management: additional inputs and outputs**

19. The increased requirements are due mainly to higher than anticipated electricity use for the information technology data centre and construction work related to the enhancement of electricity supply systems. This is partly offset by the replacement of individual contractors previously shown under this budget line with a service support contract for which provisions are made under other supplies, services and equipment.

	Variance	
Ground transportation	($762.7)	(51.5%)

- **Management: reduced inputs and outputs**

20. The lower requirements are due mainly to deferral of the replacement of five medium/heavy vehicles owing to their continued serviceable condition and low maintenance liability, as well as the replacement of individual contractors previously shown under this budget line with a service support contract for which provisions are made under other supplies, services and equipment.

	Variance	
Communications	($166.4)	(3.8%)

- **Management: reduced inputs and outputs**

21. The reduced requirements are due mainly to lower provisions for spare parts for strategic deployment stocks assets as well as the replacement of individual contractors previously shown under this budget line with a service support contract for which provisions are made under other supplies, services and equipment.

	Variance	
Information technology	$150.2	3.9%

- **Management: additional inputs and outputs**

22. The increased requirements are due mainly to acquisition of desktop computers for the Logistics Base training centre, the corresponding increase in licence fees and rental of software, and the increased requirements for maintenance and repair of information technology equipment for which provisions have been made based on 3 per cent of asset value. The increase is partly offset by replacement of individual contractors previously shown under this budget line with a service support contract for which provisions are made under other supplies, services and equipment.

	Variance	
Medical	$165.0	58.9%

- **Management: additional inputs and outputs**

23. The increased requirements are due mainly to the avian influenza stockpile. It should be noted that the provision for storing and maintaining strategic deployment stocks medical equipment and supplies is made under Medical — Medical Service, while in 2005/06 the provision was presented under Medical — acquisition of equipment.

	Variance	
Other supplies, services and equipment	$1 554.4	100.7%

- **Management: additional inputs and outputs**

24. The increased requirements are due mainly to a provision for a support services contract replacing the previous practice of employing individual contractors. This increase is offset partly by a reduction in training fees as a result of the higher percentage of staff being trained in-Base.

IV. Actions to be taken by the General Assembly

25. **The actions to be taken by the General Assembly in connection with the financing of the United Nations Logistics Base are:**

(a) **Approval of the amount of $35,621,200 for the maintenance of the Logistics Base for the 12-month period from 1 July 2006 to 30 June 2007;**

(b) **A decision to apply the remaining unencumbered balance of $180,000 as proposed in document A/60/700 to the resources required for the period from 1 July 2006 to 30 June 2007;**

(c) **Proration of the amount of $35,441,200 among the individual active peacekeeping operation budgets to meet the financing requirements of the Logistics Base for the period from 1 July 2006 to 30 June 2007.**

VI. Summary of follow-up action taken to implement requests and recommendations of the General Assembly, the Advisory Committee on Administrative and Budgetary Questions endorsed by the General Assembly, the Board of Auditors and the Office of Internal Oversight Services

A. General Assembly

(Resolution 59/296)

Decisions and requests to the Secretary-General	*Action taken to implement decisions and requests*
Section II: results-based budgeting	
Submit future budget proposals in full compliance with General Assembly resolution 55/231 (para. 6).	Implemented
Section III: budget presentation	
Provide in the budget documents the necessary information available that fully justifies the Secretary-General's resource requirements (para. 2).	Implemented
Ensure that the Department of Peacekeeping Operations and all missions make every effort to introduce strict budgetary discipline and enforce adequate controls over budget implementation (para. 5).	Implemented
Affirm that budget submissions should, to the extent possible, reflect management improvements and efficiency gains to be achieved and articulate future strategies in that regard (para. 9).	Implemented. See paragraph 8 of the present report
Section VIII: training, recruitment and staff in the field	
Decide to restrict training away from mission headquarters of civilian staff to training specific to the implementation of the mandate of the mission, the effective functioning of the mission, the function of a post or, where it is cost-effective, until the finalization of the comprehensive training strategy (para. 1).	Implemented. See paragraph 8 of the present report
Revert to the General Assembly for its consideration of the creation of a post if the function is ongoing and is so warranted, regarding the practice of hiring individual contractors or individuals on procurement contracts to perform functions of a continuing nature (para. 11).	The approved budget for 2005/06 of the Logistics Base (A/59/691) included transfer of 64 individual contractors into national staff. The remaining individual contractors are replaced by service support contracts in the financial year 2005/06.

Decisions and requests to the Secretary-General	*Action taken to implement decisions and requests*
Section XVI: procurement	
Ensure that all peacekeeping missions operate with reference to their procurement plans in order to realize the benefits offered by proper procurement planning (para. 5).	Implemented. The Logistics Base procurement plan is reviewed monthly by the Chief Administrative Officer
Section XVII: asset management	
The Department of Peacekeeping Operations should ensure that all missions implement an assets replacement programme in a cost-effective manner and in strict compliance with the guidelines on the life expectancy of assets (para. 1).	Implemented
Ensure that the heads of the peacekeeping operations take effective measures to ensure inventory control, replenishment of stocks and reasonable write-off procedures for the disposal of assets no longer required or useful (para. 2).	Implemented
Ensure that formal written agreements are in place, which include elements such as financial reimbursement and liability, with other United Nations bodies before loaning out to them resources belonging to the peacekeeping operation (para. 3).	Implemented
Section XVIII: information technology	
Implement the Galileo system in all peacekeeping operations in order to unify peacekeeping operations inventory (para. 3).	Implemented in 2003/04
Section XIX: air operations	
Take all necessary actions to ensure that staff members involved in air operations are adequately trained, as specified in the Air Operations Manual (para. 1).	Implemented. The Logistics Base budget proposal for 2006/07 includes provisions for aviation safety training
Continue to conduct aviation quality inspections and aviation assessments at missions to confirm that established standards are being fully complied with (para. 2).	See paragraphs 7 and 10 of the present report
Section XXI: ratios of vehicles and information technology equipment to staff	
Ensure that peacekeeping operations adhere to the standard ratios, bearing in mind the mandate, complexities and size of individual peacekeeping operations (para. 2).	Implemented

B. Advisory Committee on Administrative and Budgetary Questions

(A/59/736/Add.2)

Request/recommendation	*Action taken to implement request/recommendation*
The Advisory Committee sought information on the current status of the San Vito project and was informed that negotiations were still ongoing with the Government of Italy. The World Food Programme (WFP), which also needs space for its expanded operations, has taken the lead in these negotiations. Negotiations have not yet been concluded. Proposed arrangements with the Government of Italy, as well as between the Department of Peacekeeping Operations and WFP, together with the related financial implications, should be brought to the attention of the General Assembly, through the Advisory Committee, before any agreement is signed; information should also be provided on how the facilities at San Vito could be utilized for training, short-term staff accommodation and other purposes (para. 14).	See paragraph 9 of the present report
The Advisory Committee is of the view that the proposed establishment of the Logistics Base training cell represents a new and important phase in the development of a Department of Peacekeeping Operations-wide training strategy that will impact on resource requirements and on training programmes at Headquarters, in peacekeeping operations and at the Base. The Committee requests, therefore, that a comprehensive review of a Department-wide training strategy be undertaken and its results be reported to the General Assembly at its sixtieth session. The report should specifically indicate the role of the proposed training cell in the overall training strategy and provide concrete workload statistics to justify the number of posts requested (para. 17).	See paragraphs 6 and 10 of the present report
The Advisory Committee recalls that the Board of Auditors recommended that the Logistics Base, in conjunction with the Department of Peacekeeping Operations, follow-up on and obtain acknowledgement of receipt of items shipped to missions and monitor the shipment of stocks to ensure timely acknowledgement of receipt (see A/59/5, vol. II, para. 188). The Committee requests that the next budget submission for the Base contain information on the implementation of the above recommendation of the Board (para. 29).	The implementation of this recommendation is in progress. In addition to the standard follow-up on assets transferred to missions, the Logistics Base informs each mission and the Property Management Unit on a regular basis about lists of equipment pending acknowledgement, particularly about long outstanding cases. The Department of Peacekeeping Operations, in a facsimile dated 10 June 2005, has reminded missions of their responsibility to acknowledge assets received from the Logistics Base and other missions in a timely manner. During the property management conference held by the

Request/recommendation	*Action taken to implement request/recommendation*
	Department of Peacekeeping Operations in June 2005, the importance of the acknowledgement and accounting for equipment received in accordance with established procedures were stressed to the missions
The Committee notes that increasing the speed of delivery of the stocks will require a review of all material management processes and the organizational structure of the Base. The Advisory Committee requests that it be kept informed of developments in this area (para. 38).	The strategic deployment stocks Steering Group (consisting of participants from the Logistics Support Division, the Accounts Division, the Finance Management and Support Service and the Peacekeeping Financing Division) and the Assistant Secretary-General for Mission Support have endorsed the policy directive and standard operating procedure for strategic deployment stocks operations. Detailed operating procedures for the sub-processes of strategic deployment stocks operations are expected to be compiled by June 2006
The Advisory Committee draws attention to the recommendation of the Board of Auditors wherein the Administration was requested to find solutions to ensure the accuracy and completeness of all records of stocks shipped and the related income and expenditure transaction (para. 40).	The initial accounting guidelines to record strategic deployment stocks transactions were approved by the Controller in August 2004 and implemented during 2004/05. These approved accounting guidelines are currently under review and expected to be in effect in June 2006
The Committee points out that General Assembly resolution 56/292 has not been fully implemented; it requests that more detailed information be included in future reports of the Secretary-General on strategic deployment stocks procurement contracts to comply with the spirit of resolution 56/292 of the General Assembly (para. 41).	Information on strategic deployment stocks procurement contracts by country has been included in the performance report on the budget of the Logistics Base for 2004/05 (A/60/700)

C. Board of Auditors

(A/59/5, vol. II, chap. II)

Request/recommendation	*Action taken to implement request/recommendation*
Differences were noted between the field assets control system/Galileo record of items of non-expendable equipment and the physical verification of the equipment (para. 64 (a)).	Implemented. Physical inventory count at the Logistics Base was completed in December 2004 and Galileo was updated in February 2005. Investigation and verification of "non-located" assets was completed in October 2005. Bar-codes have been assigned to non-expendable property and attractive items
Delays were noted in the write-off and/or disposal process (para. 64 (b)).	Implemented. More frequent meetings are held by the Logistics Base Local Property Survey Board in order to speed up the write-off process. In 2006/07 one disposal sale of United Nations reserve stocks is planned

Request/recommendation	*Action taken to implement request/recommendation*
The Logistics Base to ensure that containers holding strategic deployment stocks be properly sealed to prevent tampering and unauthorized access and minimize risk of potential losses (para. 182)	Implemented. The Logistics Base seals all strategic deployment stocks containers, with numbered seals, to prevent unauthorized access. In addition, routine checks are conducted by assets managers to ensure that the established procedures are strictly enforced
The Logistics Base to ensure that physical inventory descriptions and coding are consistent with the Galileo records to facilitate ease of use and monitoring of strategic deployment stocks (para. 185)	Implemented. A new practice of confirmation of the technical description of the item at the time of receipt has been introduced: both the receiving unit at the Logistics Base and the self-accounting unit at Headquarters confirms the description to be entered into the Galileo system

D. Office of Internal Oversight Services

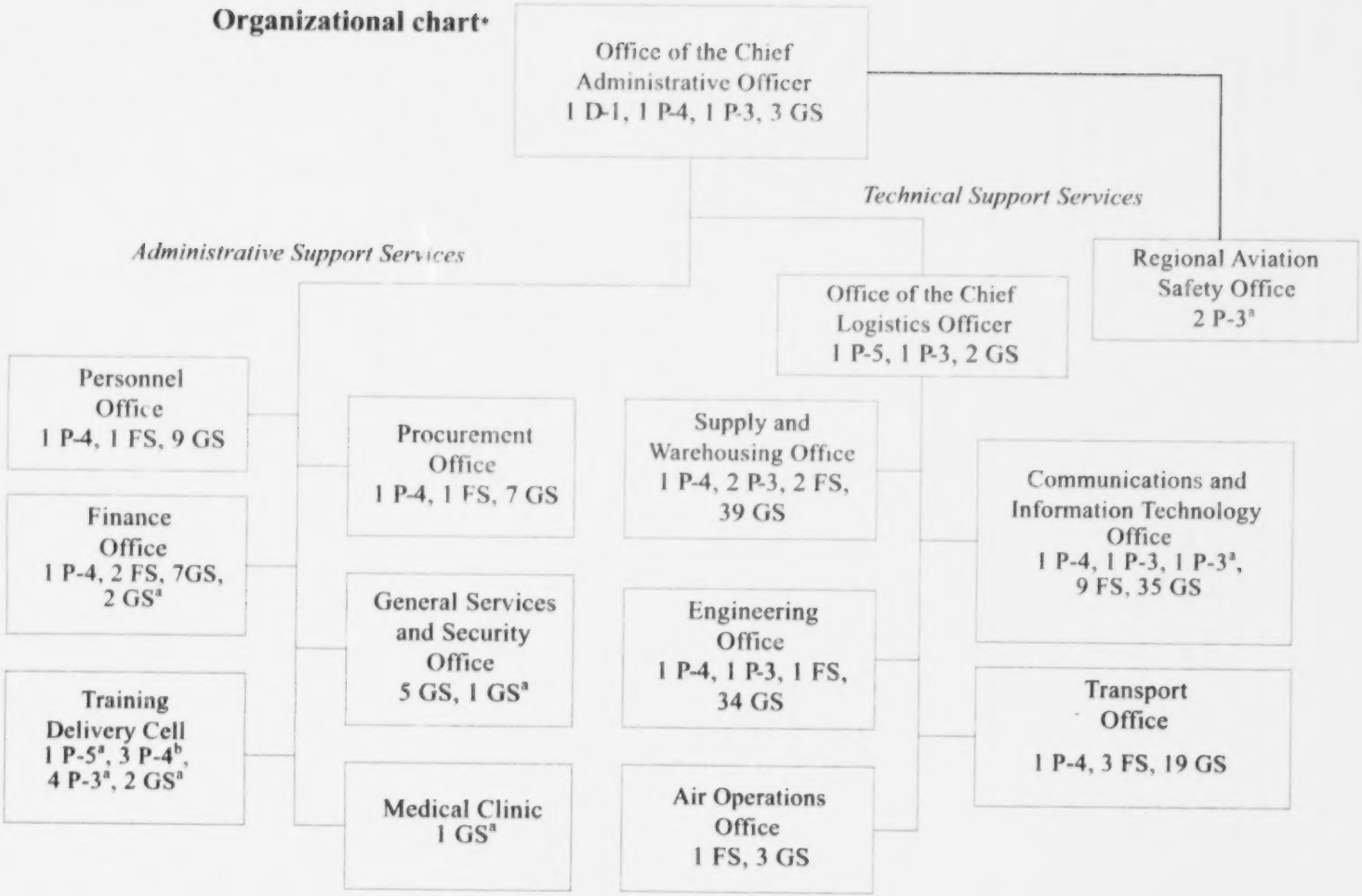
(AP 2004/600/02, 23 November 2005)

Request/recommendation	*Action taken to implement request/recommendation*
To speed up the strategic deployment stocks operating process, the Logistics Base should ensure that incoming shipments for strategic deployment stocks receipt and inspection are prioritized and processed within the established lead time. Urgent action should be taken to process the current backlog as soon as possible (para. 017).	Implemented. The Logistics Base budget proposal for 2006/07 includes an indicator with improvement plans and target
In order to speed up the strategic deployment stocks inventory and receipt and inspection processes and to reduce the workload of the staff involved, the Department of Peacekeeping Operations and the Logistics Base should research, select and apply best industry sampling methods for conducting inventory checks and receipt and inspection of expendables at the Logistics Base, and develop respective standard guidelines; attractive items, however, should be subject to 100 per cent inventory checks and inspections (para. 022).	Under implementation. The Logistics Base is piloting a project to enhance inventory control and management using bar-code scanning technology. The full implementation of the recommendation depends on the results of the pilot project

Request/recommendation	*Action taken to implement request/recommendation*
The Department of Peacekeeping Operations and the Logistics Base should urgently develop a strategic plan for improving the information technology support function to effectively manage the strategic deployment stocks operations, establishing objectives, requirements, implementation approach, a detailed list of necessary actions, time frame and responsible entities (para. 026).	Under implementation. The Galileo inventory system tracks the movements and physical status of the strategic deployment stocks. In addition, the Logistics Support Division had developed an interim Lotus Notes-based tracking tool for monitoring the replenishment of strategic deployment stocks. An upgraded version of this tool has been adopted by Self-Accounting Units/Logistics Support Division and will be fully implemented to improve the replenishment process. Based on the experience gained with this tool, user requirements will be drawn and presented to the Galileo Development Group in order to pursue development of a new Galileo module to centrally monitor and account for strategic deployment stocks transactions

Annex

Organizational chart*


Office of the Chief Administrative Officer
1 D-1, 1 P-4, 1 P-3, 3 GS
Technical Support Services
Administrative Support Services
Regional Aviation Safety Office
2 P-3[a]
Office of the Chief Logistics Officer
1 P-5, 1 P-3, 2 GS
Personnel Office
1 P-4, 1 FS, 9 GS
Procurement Office
1 P-4, 1 FS, 7 GS
Supply and Warehousing Office
1 P-4, 2 P-3, 2 FS, 39 GS
Communications and Information Technology Office
1 P-4, 1 P-3, 1 P-3[a], 9 FS, 35 GS
Finance Office
1 P-4, 2 FS, 7GS, 2 GS[a]
General Services and Security Office
5 GS, 1 GS[a]
Engineering Office
1 P-4, 1 P-3, 1 FS, 34 GS
Transport Office
1 P-4, 3 FS, 19 GS
Training Delivery Cell
1 P-5[a], 3 P-4[b], 4 P-3[a], 2 GS[a]
Medical Clinic
1 GS[a]
Air Operations Office
1 FS, 3 GS

* Abbreviations: FS=Field Service; GS=General Service.

[a] New post